

806 KAR 10:050. Surplus lines affidavits.

RELATES TO: KRS 304.1-070, 304.10-030, 304.10-040, 304.10-050, 304.10-060, 304.10-070, 304.10-160

STATUTORY AUTHORITY: KRS 304.2-110, 304.10-050, 304.10-210, EO 2009-535

NECESSITY, FUNCTION, AND CONFORMITY: EO 2009-535, signed June 12, 2009, created the Department of Insurance, headed by the Commissioner of Insurance. KRS 304.2-110 authorizes the executive director to promulgate administrative regulations necessary for or as an aid to the effectuation of the Kentucky Insurance Code, as defined in KRS 304.1-010. KRS 304.10-050 requires the executive director to promulgate administrative regulations prescribing the affidavit form and the manner and form of filing the surplus lines broker affidavit of eligibility for export. KRS 304.10-210 requires the executive director to promulgate administrative regulations to effectuate the surplus lines law. This administrative regulation established the manner and form for surplus line brokers to furnish to the Department of Insurance evidence of eligibility for export required by KRS 304.10-050.

Section 1. Definitions. (1) "Alien insurer" is defined in KRS 304.1-070(3).

(2) "Broker" or "surplus lines broker" is defined in KRS 304.10-030(1).

(3) "Department" means the Department of Insurance.

(4) "Export" is defined in KRS 304.10-030(2).

(5) "Foreign insurer" is defined in KRS 304.1-070(2).

Section 2. Time Period for Filing. An affidavit of eligibility for export shall be filed by the licensed surplus line broker with the Department of Insurance within sixty (60) days after the effective date of each premium bearing surplus lines transaction with a foreign insurer. The affidavit shall be filed within ninety (90) days after the effective date of each premium bearing surplus lines transaction with an alien insurer.

Section 3. Method of Filing. (1) A surplus lines affidavit shall be filed electronically through:

(a) The Department of Insurance Web site, <https://insurance.ky.gov/kentucky/secured/Eservices/default.aspx>; or

(b) File Transfer Protocol through prior arrangement with the Department of Insurance.

(2) The broker shall maintain records of each transaction, including evidence of efforts to place insurance with insurers authorized to transact and actually writing insurance in this state, which shall be subject to examination by the Department of Insurance pursuant to KRS 304.10-160.

Section 4. Effective Date. This administrative regulation shall apply to affidavits submitted on and after July 1, 2010. (31 Ky.R. 513; Am. 706; eff. 11-5-2004; 36 Ky.R. 473, 796; eff. 11-6-2009.)